



TITLE 014/2018

November 12,2018

Subject: Explanation of Company's Overall Operation for Quarter 3<sup>rd</sup> of 2018

To: Directors and Managers  
The Stock Exchange Market of Thailand

Rhom Bho Property Public Company Limited ("the Company") would like to explain overall operation for quarter 3<sup>rd</sup> of 2018 with following details.

Unit: Million THB

Description	3-month period ending 30 <sup>th</sup> Sep 2018		3-month period ending 30 <sup>th</sup> Sep 2017		Differentiate	
	Amount	%	Amount	%	Amount	%
Revenues from sales	77.33	97.34	108.19	99.40	(30.86)	(28.52)
Cost of sales	46.31	58.30	62.72	57.63	(16.41)	(26.16)
Gross profit (loss)	31.02	39.05	45.47	41.78	(14.45)	(31.78)
Other income	2.11	2.66	0.65	0.60	1.46	224.62
Profit (Loss) before expenses	33.13	41.70	46.12	42.37	(12.99)	(28.17)
Selling expenses	4.93	6.21	5.13	4.71	(0.20)	(3.90)
Administration expenses	18.54	23.34	16.74	15.38	1.80	10.75
Gain (Loss) before finance costs and income tax	9.66	12.16	24.25	22.28	(14.59)	(60.16)
Finance costs	0.01	0.01	0.84	0.77	(0.83)	(98.81)
Gain (Loss) before income tax	9.65	12.15	23.41	21.51	(13.76)	(58.78)
Income tax expenses	2.16	2.72	4.70	4.32	(2.54)	(54.04)
Profit for the period	7.49	9.43	18.71	17.19	(11.22)	(59.97)

#### 1. Revenues from sales

1.1. The company's revenues from sales for quarter 3<sup>rd</sup> of 2018 was 77.33 million baht or decreased by 28.52% of revenue rate compare with the previous year. The decrease was due to unit ownership transfer.

1.2. The other income of the company for quarter 3<sup>rd</sup> of 2018 was 2.11 million baht or increased by 224.62% revenue rate compare with the previous year. Most of other revenue are from room management for customers who participated in the return guarantee program of compensation and



payments hold down the customers' breach of contract, revenue from management fee of the juristic person condominium of The Title Rawai Phase 3.

## 2. Cost of sales

The company's cost of sales for quarter 3<sup>rd</sup> of 2018 was 46.31 million baht decreased 16.41 million baht or 26.16% from the previous year which is consistent the reduction of income.

## 3. Expenses

3.1. The company's selling expenses for quarter 3<sup>rd</sup> of 2018 was 4.93 million baht decreased 0.20 million baht or 3.90% from the previous year. The main change in selling expenses is variable expenses associated with condominium unit sale: specific business tax and commercial fee (sale). Most expenses are from unit sale in The Title Rawai Phase 3 Project in accordance with the requirements of the contract and the increase in employee expenses due to the expansion of the work.

3.2. The company's administrative expenses for quarter 3<sup>rd</sup> of 2018 was 18.54 million baht increased 1.80 million baht or 10.75% from the previous year due to the increased salary, expenses of employees and other managing fees consisted with the company's growth.

## 4. Financial Costs

The company's financial cost for quarter 3<sup>rd</sup> of 2018 was 0.01 million baht. The reduction of 0.83 million baht or 98.81% compared to the same quarter, previous year is because the interest expense of 'The Title Naiyang Project was booked as a capital expense in balance sheet hence a small amount of the company's financial cost presented in income statement. Also, in quarter 3<sup>rd</sup> of 2017 the company have just started this project.

## 5. Income tax expenses

The company's income tax expenses for quarter 3<sup>rd</sup> of 2018 were 2.16 million baht decreased 2.54 million baht or 54.04% from the previous year consisted with the decreased profit of company's operation.

## 6. Net profit

The company's net profit for quarter 3<sup>rd</sup> of 2018 was 7.49 million baht decreased 11.22 million baht or 59.97% from the previous year. The main reason was the decrease in revenues and the increase in company's administrative expenses.



## 7. Financial status

Unit: Million THB

Description	As at 30 <sup>th</sup> Sep 2018	As at 31 <sup>st</sup> Dec 2017	Differentiate	
	Amount	Amount	Amount	%
Total Assets	1,605.29	969.59	635.70	65.56
Total Liabilities	1,053.03	444.56	608.47	136.87
Total Shareholder's Equity	552.26	525.03	27.23	5.19

The company's assets as of 30<sup>th</sup> September 2018 was 1,605.29 million baht increasing from 31<sup>th</sup> December 2017 for 635.70 million baht or 65.56%. The increase in core assets was due to an increase in real estate development costs from the construction of The Title Naiyang Project Phase1 and Phase2 and additional land acquisition for future development of the property. Total liabilities of 1,053.03 million baht increased 608.47 million Baht or 136.87% mainly caused from advance receipt of reservation cost and down payment of The Naiyang Project Phase 1 and 2 and long-term loan from financial institutions / insurance company.

The company shareholder's equity as on 30<sup>th</sup> September 2018 was 552.26 million baht increasing from 31<sup>st</sup> December 2017 for 27.23 million baht or 5.19% due to the increased capital in stock dividend payment and the increase in cumulative profit by overall operation of the company.

Please be informed accordingly.

Sincerely,

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Mr.Dendanai Hutajuta

Chief Executive Officer